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ABSTRACT

This paper presents results, using data from the National Longitudinal Surveys, which support the economic disadvantage of a non-Southern ghetto environment for young black males. Controlling for differences in age, years of school completed, region and character of current residence, it is found that the mean earnings of young black males educated in the metropolitan non-South are substantially less than those of their peers educated in the rural South. It was not possible to confirm this disadvantage for older black males, however. Examining several attitudinal and labor force characteristics of young blacks leads to the conclusion that a major problem in reducing black poverty--contrary to the implications of the Coleman Report--lies in improving the environment of the non-Southern ghetto. The analysis is also extended to whites in order to examine the rural-urban dimensions of environment and migration and their effect on racial earnings differentials. The National Longitudinal Surveys constitute a five-year longitudinal study of the labor market experiences of four subsets of the United States population. The present study is based on data collected in the first round of interviews with two cohorts of men, the first 45-59 years of age and the second 14-24 years of age. (Author/JM)

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INTERREGIONAL MIGRATION, EDUCATION AND POVERTY IN THE URBAN GHETTO: ANOTHER LOOK AT BLACK-WHITE EARNINGS DIFFERENTIALS

by

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Center for Human Resource Research
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Interregional Migration, Education, and Poverty in the Urban Ghetto: Another Look at Black-White Earnings Differentials

Arvil V. Adams and Gilbert Nestel*

The inferiority of southern black schools (especially rural schools) alleged by the Coleman Report [4] coupled with the mass migration historically of southern blacks to northern cities, provides one potential explanation of the generally low returns to black education and of urban poverty in the non-South. Evidence from the 1960 Census suggests, however, that black migrants to the metropolitan North had higher incomes and less unemployment than blacks born there, even after controlling for differences in age, years of school completed, and a number of other variables [11]. Additional evidence from the 1967 Survey of Economic Opportunity also discounts the inferiority of southern black schools as an explanation of urban poverty in the non-South [17, 18]. In fact, the overall effect of a northern or even a large southern ghetto environment may be more harmful to black economic progress than a rural southern origin [18].

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In this paper we present results, using data from the National Longitudinal Surveys, which support the economic disadvantage of a nonsouthern ghetto environment for young black males. Controlling for differences in age, years of school completed, region and character of current residence, we find the mean earnings of young black males educated in the metropolitan non-South are substantially less than those of their peers educated in the rural South. We are unable to confirm this disadvantage for older black males, however. Examining several attitudinal and labor force characteristics of young blacks leads to the conclusion that a major problem in reducing black poverty--contrary to the implications of the Coleman Report--lies in improving the environment of the nonsouthern ghetto. We also extend the analysis to whites in order to examine the rural-urban dimensions of environment and migration and their effect upon racial earnings differentials.

The National Longitudinal Surveys, which provide the primary data for this paper, constitute a five-year longitudinal study of the labor market experiences of four subsets of the United States population: men 45 to 59 years of age, women 30 to 44 years of age, young men 14 to 24 years and young women 14 to 24 years of age.[1] For each of these cohorts a national probability sample of the noninstitutionalized civilian population was drawn by the Bureau of the Census. The present study is based upon data collected in the first round of interviews in 1966 with the two cohorts of men.

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[1]For a description of these surveys see [14].

Analysis is restricted to men whose current or last job reported in the survey week of 1966 was as a wage or salary earner. The self-employed are excluded from the universe to overcome the difficulty of separating income received as returns to physical capital from that received as returns to human capital. An additional universe restriction is included for the younger men's cohort to ensure they had been out of school for a minimum of 12 months.

In Section I we build upon earlier earnings-functions studies by introducing variables which identify geographic origin of schooling. Section II explores the implications of our findings for the younger cohort of black males with respect to a number of labor force and attitudinal characteristics. Finally, some conclusions are presented in Section III.

I. The Determinants of Black and White Male Earnings: 1965

Within the framework of human capital theory, earnings-functions evaluate the marginal productivity of labor across various classes of human capital. To estimate the annual earnings of black and white males, we expand upon earlier earnings-functions studies[2] by including, along with conventional human capital variables, measures of current residence and geographic origin of education.[3]

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[2]See, for example, [1, 7, 8, 9, 10, 12, 18].

[3]To our knowledge only two other studies of earnings-functions have used an explicit measure of the geographic origin of education. The first, by Leonard Weiss and Jeffrey Williamson [18], is summarized above. Another

Current residence and origin of education are represented by dummy variables for three "regional" labor markets: rural South, SMSA South, and SMSA non-South.[4] Current residence, while controlling for regional variation of price levels, and consequently differences in money incomes, may also reflect differences due to the regional variation of industry structure. For blacks, current residence may be used as a proxy for differences in regional discrimination in employment and the tendency for those with greater potential to migrate to the non-South.

Men surveyed in 1966 were asked to describe their place of residence at age 15 (age 14 for young men 14 to 24 years of age) by size of population and other similar characteristics. These data, together with additional information on duration of current residence, prior residence, and residence at age of birth, were used to identify the region and character of the location in which the respondent received a majority

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study by Zvi Griliches and William Mason [7] acknowledges use of a similar measure although somewhat incidental to the major thrust of their paper. Unfortunately, results were not reported concerning the net effect of this variable upon earnings by race.

[4]We expect most of the variance in environment to be captured by these three regional classifications. Members of our universe who do not fall into one of these categories have been retained in the sample for the purpose of increasing the efficiency of our estimates of returns to education and experience. NA (not applicable) categories were created for current residence and origin of education variables to accommodate these persons in multiple linear regression analysis. The estimated coefficients of the two NA categories are not reported, however, for lack of interpretative value. The distribution of our sample by current residence and origin of education is contained in Table A1 of the Appendix.

(if not the entirety) of his elementary and secondary education. The new variable is defined as origin of education.[5]

Controlling for current residence, the origin of education undoubtedly reflects a constellation of institutional forces including quality of schooling and the characteristics of home and community that bear upon an individual's attitudes, academic achievement, and subsequent labor market experience. Origin of education is viewed herein as a reflection of the total educational and social environment of the individual, one which is broader than measures of school quality that have been used in previous studies. When used to estimate earnings-functions for each "regional" labor market, the origin of education measure enables us to compute the earnings of migrants and nonmigrants.

As a conventional measure of human capital, education is measured in years of school completed. Allowing for nonlinearity of returns to education, years of school completed is grouped into four class intervals. Table 1 presents the classification of our independent variables including the respondent's age. As is typically the case in studies of the returns to human capital, the age variable is included because of the well recognized age-earnings profile.[6] Older men are likely to have had more

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[5]A copy of the decision rules used in constructing this variable is available from the authors upon request.

[6]We are aware that inferences about the shape of age-earnings profiles derived from longitudinal or time series data may differ from those based on cross-sectional data because of business cycles, secular trends toward higher education and growth of earnings. For example, see [2, pp. 137-43].

training on the job and more opportunity to find the better jobs that are appropriate to their training. Although the data are initially stratified by age, we have further controlled for the variation of training and experience within the specific age cohorts.

Table 1 Classification of Explanatory Variables

Age		Years of school completed	Origin of education	Current residence
Men 14-24	Men 45-59			
14-19*	45-49*	Less than 8 years*	Rural South*	Rural South*
20-24	50-54	8-11	SMSA South	SMSA South
	55-59	12	SMSA non-South	SMSA non-South
		13+	NA (all other)	NA (all other)

*Denotes omitted category of variable in multiple linear regression.

The dependent variable is the respondent's wage and salary earnings in calendar year 1965, measured in dollars. These earnings represent both the rate of compensation (hourly earnings) and the level of utilization (hours worked) of a given stock of human capital. Accordingly, the returns to education by race reflect not only the degree to which the utilization of a given stock of human capital is race specific but also the level of economic activity.[7] The earnings-function should be viewed

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[7]The returns to education for blacks and whites derived from cross-sectional data on annual earnings may be influenced by the state of the business cycle, especially if blacks are "last to be hired and first to be fired." That is, returns to education estimated from data gathered near the trough of a business cycle may show blacks at a greater relative disadvantage to whites than returns estimated for a period near the peak of the business cycle. Our own estimates of these returns for 1965, fall roughly at the mid-point of the two extremes.

as a reduced form equation incorporating both demand and supply effects.

The general model we use for estimation of the earnings function is a multiple linear regression of the form:

$$(1) \quad Y_j = \sum_{k=0}^{N} b_k X_{kj} + u_j$$

where j stands for an individual; k for a variable; Y is the earnings variable; X_{0j} a variable which assumes the value 1 for all individuals and X_{kj} (k = 1, ...N) are N explanatory variables (none of which are continuous); the b_k are parameters to be estimated; and u_j is a random disturbance with zero mean and constant (unknown) variance. Since each set of dummies is mutually exclusive, we omit one from each set in the estimation (denoted by an asterisk in Table 1). The regression coefficients on the dummy variables of each set can be interpreted as the net difference in earnings due to a person's being in a particular category rather than in the category denoted by an asterisk.

The earnings-functior was estimated for each age-race cohort with annual earnings and again with natural log of annual earnings as the dependent variable. The earnings-functions were first estimated without the measure of geographic origin of education and then reestimated including this measure. Black males were overrepresented in the NLS sample in approximately a three-to-one ratio to provide enough observations for statistically reliable estimates. Consequently, each observation in the regressions was weighted by the number of cases it represents

in the universe.[8] Finally, the regressions were estimated for each 1966 "regional" labor market.

The results of the regressions for each age-race cohort are shown in Tables 2A and 2B. Using annual earnings as a dependent variable, the independent variables explain about 25 percent of the variance of this measure for black males and approximately 20 percent for white males. With log of annual earnings as a dependent variable the level of variance explained is generally lower for blacks and whites with the exception of the younger cohort of white males. Our conclusions from these regressions are that age, years of school completed, and current residence are major determinants of both black and white male earnings. The importance of origin of education, however, differs with age and race.

Among the older group of men there appears to be no significant difference in the earnings of blacks based upon the geographic origin of their education. Certainly the results do not show an earnings disadvantage to those educated in the rural South. For older whites though, there is a significant earnings advantage to having lived and been educated in a metropolitan area, South and non-South. If there is any disadvantage to a rural southern origin for older men, it appears to be largely a white phenomenon.

This pattern is not evident among younger whites. Instead, young blacks reared and educated in the urban ghettoes of the non-South seem

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[8] For a description of these weights see [15, pp. 258-59 and 16, pp. 210-11].

Table 2A Regressions for Men 14 to 24 Years of Age, Relating Wage and Salary Earnings to Age, Years of School Completed, Current Residence, and Origin of Education, by Race: 1965

(t-values in parentheses)

Explanatory variable	Annual earnings				Log of annual earnings			
	BLACKS		WHITES		BLACKS		WHITES	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Constant	1141	1224	1181	1342	6.93	6.95	6.95	6.96
	(3.13)	(3.39)	(2.89)	(3.25)	(42.85)	(43.35)	(58.12)	(57.21)
Age								
20-24	586	558	1223	1169	0.38	0.37	0.34	0.34
	(1.81)	(1.74)	(5.04)	(4.84)	(2.65)	(2.63)	(4.83)	(4.71)
Years of school completed								
8-11	210	172	1996	2009	0.16	0.15	0.97	0.97
	(0.71)	(0.59)	(5.14)	(5.21)	(1.23)	(1.13)	(8.54)	(8.55)
12	1088	884	2374	2409	0.46	0.38	1.10	1.11
	(3.40)	(2.79)	(6.11)	(6.24)	(3.25)	(2.68)	(9.68)	(9.75)
13+	2591	2781	3396	3465	0.83	0.90	1.25	1.26
	(5.30)	(5.72)	(7.57)	(7.74)	(3.84)	(4.15)	(9.52)	(9.57)
Current residence								
SMSA South	829	973	850	1209	0.32	0.41	0.21	0.24
	(3.09)	(2.66)	(2.43)	(2.91)	(2.66)	(2.50)	(2.00)	(1.92)
SMSA non-South	1141	2138	916	1463	0.36	0.78	0.17	0.27
	(4.70)	(5.74)	(3.56)	(3.18)	(3.37)	(4.71)	(2.19)	(2.00)
Origin of education								
SMSA South		-95		-482		-0.08		-0.003
		(-0.27)		(-1.12)		(-0.53)		(-0.02)
SMSA non-South		-1419		-393		-0.60		-0.07
		(-3.73)		(-0.82)		(-3.53)		(-0.46)
$\bar{R}^2$	0.257	0.293	0.160	0.171	0.186	0.221	0.192	0.200
F	13.49	11.47	20.96	16.20	9.25	8.17	25.92	18.78
d.f.	245	242	729	726	245	242	729	726

Table 2B Regressions for Men 45 to 59 Years of Age, Relating Wage and Salary Earnings to Age, Years of School Completed, Current Residence, and Origin of Education, by Race: 1965

(t-values in paretheses)

Explanatory variable	Annual earnings				Log of annual earnings			
	BLACKS		WHITES		BLACKS		WHITES	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Constant	2323	2344	3689	3492	7.02	7.05	7.33	7.32
	(12.03)	(12.14)	(10.93)	(10.05)	(36.85)	(37.02)	(53.83)	(52.17)
Age								
50-54	-233	-256	-66	-85	-0.20	-0.22	-0.08	-0.09
	(-1.26)	(-1.39)	(-0.31)	(-0.40)	(-1.12)	(-1.21)	(-0.98)	(-1.02)
55-59	-797	-813	-316	-306	-0.92	-0.92	-0.49	-0.49
	(-4.07)	(-4.14)	(-1.40)	(-1.35)	(-4.75)	(-4.77)	(-5.40)	(-5.36)
Years of school completed								
8-11	747	765	1412	1305	0.74	0.72	0.54	0.51
	(4.02)	(3.97)	(5.38)	(4.92)	(4.05)	(3.78)	(5.08)	(4.80)
12	1833	1853	2646	2537	1.24	1.20	0.84	0.82
	(6.90)	(6.72)	(9.07)	(8.62)	(4.71)	(4.42)	(7.12)	(6.88)
13+	1758	1836	6666	6485	0.57	0.62	1.28	1.25
	(4.73)	(4.86)	(21.76)	(20.74)	(1.54)	(1.67)	(10.39)	(9.90)
Current residence								
SMSA South	1708	1719	1624	1160	0.76	0.80	0.63	0.56
	(7.95)	(7.65)	(4.06)	(2.63)	(3.57)	(3.60)	(3.93)	(3.16)
SMSA non-South	2261	2494	2066	1310	0.33	0.52	0.76	0.66
	(11.11)	(10.35)	(6.63)	(3.04)	(1.66)	(2.17)	(6.03)	(3.82)
Origin of education								
SMSA South		27		1035		-0.05		0.21
		(0.11)		(1.83)		(-0.22)		(0.90)
SMSA non-South		-244		1198		0.10		0.20
		(-0.78)		(2.68)		(0.31)		(1.10)

Continued on next page.

Table 2B - Continued

Explanatory variable	Annual earnings				Log of annual earnings			
	BLACKS		WHITES		BLACKS		WHITES	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
$\bar{R}^2$	0.245	0.247	0.219	0.220	0.079	0.082	0.084	0.084
F	35.27	26.97	76.67	58.28	10.03	8.13	25.96	19.69
d.f.	943	940	2427	2424	943	940	2427	2424

likely to pay a considerable premium for this environment in terms of subsequent earnings. Other factors constant, young black males educated (at the elementary and secondary level) in the metropolitan non-South earned on the average $1,419 less in 1965 than blacks educated in the rural South.[9]

Our findings are consistent with the tentative conclusions of Weiss and Williamson on the issue of age and origin of education. Based upon the interaction of age and origin of education for blacks 20 to 64 years of age in 1967, Weiss and Williamson conclude that: "Although those aged 20-29 suffer a serious handicap from their education received in large cities, North and South, the disadvantage for those 30-39 is considerably less, and those 40-49 are better off for having been educated there" (p. 379). Our model, unlike that of Weiss and Williamson, does

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[9]We are hesitant to reject out of hand the importance of geographic origin of schooling for young white males and older black males due to the intercorrelation among the explanatory variables. A canonical correlation procedure suggested by Morgan and Sonquist [13] was used to estimate the linear association between the sets of dichotomous explanatory variables. Briefly, canonical correlation amounts to finding the linear combination of variables in each set of explanatory variables that have maximum correlation. These canonical correlations are reported in Table A2 of the Appendix for each age-race cohort.

A glance at these tables suggests that the origin of education variables are rather highly correlated with current residence variables, but more so for young men than older men. This reflects, of course, the difference of lifetime interregional migration rates which, given the length of their lifetimes, should be greater for the older cohort of men. Stated somewhat differently, young men are less likely to have moved from one region to another in comparison with older men. Accordingly, information on current residence is a strong predictor of the origin of education of the young.

not distinguish between large (> 250,000 population) and small southern SMSA's. As a consequence, we are unable to confirm this pattern among southern metropolitan areas.[10] If the results of Weiss and Williamson can be accepted, however, patterns evident in nonsouthern ghettoes apparently already have begun to emerge in large southern metropolitan areas.

Surprisingly, the geographic origin of education appears to have little systematic effect on the estimated returns to black education as determined by the estimation of the earnings function with and without origin of education variables included.[11] The returns to black education measured in annual earnings are positive and significant (at conventional levels) for the most part, but are less than those of whites at each level of education even after controlling for the origin of education. Among the disturbing aspects of these results are the low returns to education for black high school dropouts (compared with whites) and the absence of any additional returns to college experience for older black

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[10]The South is characterized by small metropolitan areas. Even in 1970, in comparison with its regional counterpart, the non-South, less than 30 percent of the region's metropolitan residents (against 60 percent in the non-South) lived in SMSA's whose population exceeded one million. See, U.S. Department of Commerce, Bureau of the Census, "Social and Economic Characteristics of the Population in Metropolitan and Non-metropolitan Areas: 1970 and 1960," Current Population Reports, Series P-23, no. 37 (Washington, D.C.: U.S. Government Printing Office, 1971), Table 2, p. 19.

[11]Similar evidence of the marginal influence of geographic origin on returns to education appears in Griliches and Mason [7, p. S87].

males (compared with that of similar blacks with exactly 12 years of school completed). It is encouraging on the other hand (considering the magnitude of the investment and earnings foregone) to find strong, positive returns to college experience for young black males, returns which approach those of whites. In all likelihood this pattern helps to explain the rapid growth in numbers of blacks enrolled in college during the 1960's.

As a proxy for labor market experience and also the deterioration of skills among older men (e.g., decline in physical motor skills) the coefficients of age indicate that returns to experience for young black males, measured in annual earnings, are not equivalent to those of whites. By the same token, earnings of older blacks decline with age at a rate exceeding that of whites. Our regressions also indicate that region of current residence has a strong effect on the annual earnings of both blacks and whites, with earnings increasing systematically from the rural South through SMSA South to the non-South SMSA.

We have explored the effect of current residence more thoroughly using separate regressions for each region. These regional earnings-functions enable us, in addition, to differentiate migrants from nonmigrants on the basis of a comparison of geographic origin of education with current residence. Table 3 presents estimates, based upon these regressions, of the mean earnings of men in the median age and educational attainment categories by origin of education and by current residence. In each age-race cohort the earnings of migrants are found in the off-diagonal cells while those of nonmigrants are in the diagonal cells.

Controlling for the selective characteristics of migrants,[12] the influence of current residence upon earnings can still be seen for rural and metropolitan areas by comparing the estimated earnings of nonmigrants along the diagonal for each age-race cohort.

Perhaps more important, Table 3 emphasizes that few of the problems facing blacks in the non-South can be attributed directly to their migration from the South. Indeed, we find little evidence to support the inferiority of southern black schools as an explanation of urban poverty in the non-South. The earnings of young black males educated in the rural South and currently living in the metropolitan non-South substantially exceed those of young blacks educated and presently living in the non-South. These findings are also important to those measuring the influence of economic incentives on migration. For selected sub-groups of the population, the profile of earnings in the region of destination may possibly lead to biased estimates of the expected income gain from migration.[13]

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[12] In a special study of the educational qualifications of southern migrants, Rashi Fein [5, p. 122] reports that blacks migrating out of the South between 1955 and 1960 had more education than blacks who remained in the region. Weiss and Williamson [18] also indicate that migration rates are far greater in the rural and small-city South among the more educated groups based on 1967 Survey of Economic Opportunity. We have controlled for years of school completed. However, within the education categories used, migrants may tend to have more education than nonmigrants. Moreover, migrants undoubtedly self-select on other bases as well, including motivation and ability.

[13] Support for this position is found in Bowles [3].

Table 3 Estimated Annual Earnings of Men 20 to 24 and 45 to 59 Years of Age, With 8 to 11 Years of School Completed, by Geographic Origin of Education, Current Residence, and Race: 1965[a]

Race and origin of education	Current residence of men, 20 to 24 years of age			Current residence of men, 45 to 49 years of age		
	Rural South	SMSA South	SMSA non-South	Rural South	SMSA South	SMSA non-South
Blacks						
Rural South	2,102	3,064	4,245	2,757	4,484	5,970
SMSA South	3,437	2,768	4,180	4,209	4,511	5,760
SMSA non-South	b	b	2,545	b	4,319	5,463
Whites						
Rural South	4,432	6,241	5,302	4,289	6,465	6,248
SMSA South	4,358	5,506	5,712	7,261	6,445	7,848
SMSA non-South	3.001	4,748	5,369	8,079	8,610	7,246

a Earnings estimates are based on regressions run on each of the three regions separately for the two age cohorts following the earnings-function specification in Tables 2A and 2B (including origin of education) with annual earnings as a dependent variable.

b Denotes cells without sample observations. See Table A1 in Appendix.

Section II. Attitudinal and Labor Force Characteristics of Young Black Males by Geographic Origin of Education

If growing up in the blight and destitution of the nonsouthern ghetto brings economic disadvantage to young black males, as is suggested by the pattern of annual earnings presented in the previous section, we hypothesize that this relationship may at least in part be explainable in terms of attitudinal differences between these young men and those whose origins were elsewhere. Specifically, we are interested in those attitudes of school and work that are likely to affect the probability of finding and holding better paying and more stable jobs. From the variety of attitudinal characteristics covered by the National Longitudinal Surveys we have selected three specific measures for testing our hypothesis, one involving schooling and two involving work. Table 4 summarizes these measures for the universe of young black males, controlling for years of school completed and geographic origin of education.

One of the questions asked of young men surveyed in 1966, who were attending or had attended high school (but not college), was their feeling about their high school experience. As reported in Table 4, one out of five black males attending high school in the metropolitan non-South disliked his experience "somewhat" or "very much." In sharp contrast, only 9 percent of those educated in the rural South and 2 percent in the metropolitan South reported a similar reaction. Whether these differences are construed to reflect differences in academic achievement,

Table 4 Selected Attitudinal Characteristics of Black Males 14 to 24 Years of Age With 8 to 12 Years of School Completed, by Origin of Education: 1966

(Number of sample observations in parentheses)

Attitudinal characteristics	Origin of Education			χ^2 Statistic [d.f.]
	Rural South	SMSA South	SMSA non-South	
Percent who disliked high school somewhat or very much	9.3 (54)	2.1 (48)	20.0 (45)	8.19[a] [2]
Percent whose most important factor on job is good wages	65.7 (70)	49.2 (59)	38.3 (47)	12.24[b] [4]
Percent whose commitment to work is strong*	77.0 (61)	82.2 (45)	69.4 (36)	9.02[c] [4]

* Derived from the 1969 National Longitudinal Survey.
a Significant at .02 level.
b Significant at .05 level.
c Significant at .10 level.

or, what is more likely, differences in docility and willingness to accept the kind of regimentation inherent in existing modes of production, they suggest that the southern blacks, other things being equal, may be more attractive to employers. They are thus consistent with the income differentials that have been reported in the previous section.

Another question asked of the respondents was whether they regarded good wages or liking the work the more important aspect of a job. In this case, blacks educated in the metropolitan non-South were less likely than those educated in the rural South (and even those in the metropolitan South) to prefer "good wages." Especially in view of the existence of racial discrimination in the labor market, blacks growing up in the ghettos of the non-South may be disadvantaged relative to those who originated in the South by striving for unattainable jobs rather than responding primarily to monetary incentives.

In a 1969 follow-up survey the young men were asked "If by some chance you were to get enough money to live comfortably without working, do you think you would work anyway?" As a measure of commitment to work, the results in Table 4 show that young black males educated in the metropolitan non-South were less committed than their peers educated in the South. Again, this difference is consistent with our hypothesis of an attitudinal perspective present among ghetto-educated blacks in the non-South which fosters and perpetuates their economic disadvantage.[14]

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[14]Since most young blacks currently live and work in the region where they were educated (see Appendix Table A1), it is not clear whether their attitudes toward work reflect the origin of their education

We are not persuaded, however, that this perspective is necessarily unrealistic. Given the unequal returns to education and experience (shown in the previous section) for blacks and whites, this perspective may be wholly realistic and economically rational reflecting the unwillingness of these young blacks to "play the game" under the existing framework of rules.

This description of the attitudes of young black males toward school and work leads to a second hypothesis. If young blacks educated in the metropolitan non-South are (1) interested primarily in "liking the work" and (2) less "committed to work" in general, then we might expect them to experience more difficulty finding suitable work and maintaining employment. We test this hypothesis using two multiple linear regressions and the universe of young black males, 14 to 24 years of age, with 8 to 12 years of school completed. The first uses as a dependent variable "weeks unemployed in last 12 months (1966)" and second, "weeks out of labor force last 12 months (1966)." Each is regressed on origin of education with the results presented in Table 5. The constant term in

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or the characteristics of the labor market in which they are currently involved. For example, given the homogeneous nature of employment opportunities in the rural South, it is hardly surprising that persons employed in this environment answer preponderantly in terms of wages with respect to the most important factor about a job. To separate the effects of current labor market conditions from the effects of origin of education we compared elsewhere the attitudes toward work of southern black migrants currently living in the non-South with those of lifetime residents. Our results, although based upon a small sample of young southern black males currently living in the non-South, confirm that growing up and being educated in the South is associated with a set of attitudes more conducive to success than growing up in a nonsouthern ghetto.

each regression represents the mean value of the dependent variable for young black males educated in the rural South. The regression coefficients can be interpreted as the net difference of the dependent variable associated with being educated in the given region rather than in the rural South.

Table 5 Regressions for Black Males, 14 to 24 Years of Age and 8 to 12 Years of School Completed, Relating Weeks Out of Labor Force Last 12 Months and Weeks Unemployed Last 12 Months to Origin of Education: 1966

(t-values in parentheses)

Dependent variable	Origin of education			$\bar{R}^2$	F	d.f.
	Constant (Rural South)	SMSA South	SMSA non-South			
Weeks out of labor force last 12 months	2.54 (2.09)[a]	1.11 (0.62)	4.30 (2.25)[a]	.018	2.60	174
Weeks unemployed last 12 months	0.69 (.85)	-.04 (.03)	2.88 (2.27)	.024	3.18	169

a Significant at .025 level in a one-tail test.

As expected, we find that young black males educated in the metropolitan non-South experience more weeks out of the labor force and more weeks of unemployment than blacks educated in the rural South. Together, young black males educated in nonsouthern ghettoes were employed approximately seven weeks on the average less in 1966 than rural-educated blacks. These findings are sustained even after controlling for current

residence and age. Clearly, a major disadvantage associated with the environment of the nonsouthern ghetto is the underutilization of young black males.

Section III. Conclusions

In this paper we have argued that few of the problems facing blacks in the non-South can be attributed directly to their migration from the South or to the alleged inferiority of southern black schools. Instead, the environment of the nonsouthern ghetto seems to be more harmful to black economic progress than a rural southern origin. Surrounded by this environment, young black males have adopted a set of attitudes toward school and work which appears to foster and perpetuate their economic disadvantage. Without broad institutional reform to break the economic and social isolation of the ghetto, we find little reason for optimism that black-white earnings differentials will diminish in the near future, especially as a much larger proportion of the next generation of blacks will be educated and raised in this setting.

Do these findings suggest that conditions facing blacks in the South are less oppressive or restrictive than those present in the non-South? We think not. Instead, following Gordon [6] we believe these results reflect a qualitative change in the attitudes of blacks in nonsouthern ghettoes toward their status and their work. A new generation of nonsouthern-born ghetto workers has entered the labor force, starting at the lowest rungs of the occupational ladder. They have not migrated and cannot build from that hopeful act. Without "hope of deliverance,"

these blacks are looking at their jobs and those of their parents more realistically than previously disadvantaged workers. Older blacks, with different histories and different time horizons, are apparently willing to tolerate these jobs. Young blacks in the nonsouthern ghetto, it now appears, are not.

Given these attitudes, it seems clear that training programs will not work for young ghetto workers--regardless of their subtlety and sophistication--unless the programs manifestly guarantee entirely different kinds of job opportunities to these workers. In Harrison's words: ". . . . as a short-run antipoverty policy instrument, education without a supply of jobs which utilize and reward the capabilities of ghetto workers is unlikely to have much impact" (p. 811). Investment in quality education, South and non-South, is clearly important to further economic progress for blacks, but with it must come new jobs and attention to defects in the market system which constrain blacks from realizing their potential. In the absence of this, significant improvement in the economic status of blacks is unlikely.

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Table A1 Distribution of Sample,[a] by Origin of Education and Current Residence for Selected Age-Race Cohorts of the National Longitudinal Surveys: 1966

Race and origin of education	Current residence of men, 14-24 years of age				Current residence of men, 45-59 years of age			
	Rural South	SMSA South	SMSA non-South	NA	Rural South	SMSA South	SMSA non-South	NA
Blacks								
Rural South	86	17	11	0	237	164	102	2
SMSA South	2	54	6	1	6	91	52	0
SMSA non-South	0	0	50	0	0	4	87	3
NA	3	2	17	5	7	22	160	15
Whites								
Rural South	92	10	5	1	184	58	26	11
SMSA South	14	38	8	0	16	78	7	0
SMSA non-South	1	4	181	20	2	17	623	56
NA	8	15	172	168	46	87	723	502

a For definition of universe, see above pp. 2-3.

Table A-2 Canonical Correlations Between Sets of Dummy Explanatory Variables[a] for Selected Age-Race Cohorts of the National Longitudinal Surveys: 1966

Variables by race	Variables for men, 14 to 24 years of age			Variables for men, 45 to 59 years of age		
	Current residence	Age	Years of school completed	Current residence	Age	Years of school completed
BLACKS						
Origin of education	.81	.08	.36	.63	.12	.46
Current residence		.05	.50		.09	.35
Age			.26			.20
WHITES						
Origin of education	.87	.06	.30	.76	.07	.29
Current residence		.12	.32		.05	.24
Age			.29			.15

a For a definition of explanatory variables, see above Table 1.